

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 1639 – HB 1497**

January 29, 2014

**SUMMARY OF BILL:** Increases fine for not wearing seat belts from \$10 to \$25 for a first offense, and from \$20 to \$50 for second and subsequent offenses. Requires \$15 of the \$25 fine for a first offense to be allocated to the general fund without designation for any specific purpose; the remaining \$10 shall be allocated to the general fund and designated for the exclusive use of the Division of Vocational Rehabilitation to assist certain individuals with disabilities who have been injured in motor vehicle accidents. Requires \$30 of the \$50 fine for second and subsequent offenses to be allocated to the general fund without designation; the remaining \$20 shall be allocated to the general fund and designated for the exclusive use of the Division of Vocational Rehabilitation.

Increases the fine for not wearing seat belts from \$20 to \$25 when the violator is between the ages of 16 and 18 years old. Requires \$15 of the \$25 fine for a first offense to be allocated to the general fund without designation for any specific purpose; the remaining \$10 shall be allocated to the general fund and designated for the exclusive use of the Division of Vocational Rehabilitation to assist certain individuals with disabilities who have been injured in motor vehicle accidents. Requires \$5 of the \$25 fine for second and subsequent offenses to be allocated to the general fund without designation; the remaining \$20 shall be allocated to the general fund and designated for the exclusive use of the Division of Vocational Rehabilitation.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue - \$648,300/FY14-15  
\$1,296,600/FY15-16 and Subsequent Years**

**Increase Local Revenue - \$34,100/FY14-15  
\$68,200/FY15-16 and Subsequent Years**

**Assumptions:**

- According to the Department of Safety and Homeland Security (DOS), the Department administered 77,436 violations of seat belt laws in FY12-13.
- DOS indicates that approximately 54,200 were for first-time offenders 18 years of age and older.
- DOS estimates that of the remaining 23,236 (77,436 – 54,200) approximately 75 percent (or 17,427) were second or subsequent offenders 18 years of age or older; approximately

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20 percent (or 4,647) were first-time offenders 16 and 17 years old; and the remaining five percent (or 1,162) were second or subsequent offenders 16 and 17 years old.

- A fine increase of \$15 for first-time offenders 18 years of age and older.
- The recurring increase in fine revenue from first-time offenders 18 years of age and older is estimated to be \$813,000 (54,200 offenders x \$15 fine increase).
- A fine increase of \$30 for repeat offenders 18 years of age and older.
- The recurring increase in fine revenue from repeat offenders 18 years of age and older is estimated to be \$522,810 (17,427 offenders x \$30 fine increase).
- A fine increase of \$5 for first-time offenders 16 and 17 years of age.
- The recurring increase in fine revenue from first-time offenders 16 and 17 years of age is estimated to be \$23,235 (4,647 offenders x \$5 fine increase).
- A fine increase of \$5 for repeat offenders 16 and 17 years of age.
- The recurring increase in fine revenue from repeat offenders 16 and 17 years of age is estimated to be \$5,810 (1,162 offenders x \$5 fine increase).
- A total increase in fine revenue is estimated to be \$1,364,855 (\$813,000 + \$522,810 + \$23,235 + \$5,810)
- Court clerks retain five percent of fine revenue as commission; therefore, a recurring increase in local government revenue of \$68,243 (\$1,364,855 x 5%) beginning in FY15-16. The effective date for this bill is January 1, 2015. As a result, the increase in local government revenue for FY14-15 is estimated to be \$34,122 (\$68,243 x 50%).
- According to DOS, the funding level allocated to the General Fund and designated for the exclusive use of the Division of Vocational Rehabilitation will remain unchanged under this bill; therefore, the remaining additional fine revenue (after deductions for local government commissions) will be allocated to the General Fund without designation for any specific purpose.
- The recurring increase in state revenue to the state General Fund is estimated to be \$1,296,612 (\$1,364,855 - \$68,243) beginning in FY15-16. Due to the effective date of January 1, 2015, the increase in state revenue for FY14-15 is estimated to be \$648,306 (\$1,296,612 x 50%).

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Lucian D. Geise, Executive Director

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